Introduced by Committee on Agriculture (Parra (Chair), La Malfa (Vice Chair), Berryhill, Dymally, Fuller, Galgiani, Jones and Mendoza)

March 5, 2007

An act to amend Sections 16522.5, 77051, 77922, and 77961 of, to add Section 68082 to, and to add Article 9 (commencing with Section 68141) to Chapter 6 of Part 2 of Division 22 of the Food and Agricultural Code, relating to agriculture.

## LEGISLATIVE COUNSEL'S DIGEST

AB 1718, as introduced, Committee on Agriculture. Agricultural advisory and promotional agencies.

Existing law generally regulates the proof of ownership for various animals including cattle, and provides for evidence of ownership of those animals, including a dairy exemption number, as specified, for certain cattle. Existing law further provides that the Secretary of Food and Agriculture may revoke the dairy exemption number of any person who violates any provision of the Food and Agricultural Code.

This bill would provide that the secretary may revoke the dairy exemption number of any person who violates certain provisions of the Food and Agricultural Code, as specified.

Existing law establishes various advisory and promotional entities for agricultural products, including, among others, the California Kiwifruit Commission.

This bill would authorize the commission to collect and disseminate various marketing information in order to prevent unfair trade practices, as specified.

AB 1718 -2-

3

4

8

9

10 11

12

13

14 15

16

17 18

19

20

21

The bill would authorize the commission to recommend kiwifruit quality standards to the Secretary of Food and Agriculture, and provide for their adoption, as specified.

Existing law establishes the California Walnut Commission.

This bill would make technical changes to procedures governing election of members to the commission.

Existing law establishes the California Cut Flower Commission.

This bill would expand the definition of "shipping research, analysis, and development" engaged in by the commission to include the development of shipping opportunities, practices, and methods, as specified.

The bill would authorize the commission to work to develop and offer shipping alternatives to the floral industry in order to improve quality and access to markets, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 16522.5 of the Food and Agricultural 2 Code is amended to read:
  - 16522.5. (a) A dairy exemption number shall be evidence of ownership of cull beef cows and bulls of a recognized dairy breed presented for sale at a registered or posted salesyard, or licensed slaughter plant for immediate slaughter. Any person owning a dairy farm as defined in Section 32505 may apply to the secretary for an exemption number.
  - (b) Every five years, the secretary may charge a fee to cover the cost of issuing and renewing a dairy exemption number. The fee may not exceed fifty dollars (\$50). The secretary may refuse to issue such number to persons who have violated any provision of Division 9 (commencing with Section 16301), Division 10 (commencing with Section 20001), or Division 11 (commencing with Section 23001) of the Food and Agricultural Code, or to persons convicted of livestock theft.
  - (c) The dairy exemption number shall be written on the bill of consignment, defined in Section 21703, when the cattle and consignment slip are presented to an inspector at the registered or posted salesyard, or licensed slaughter plant. The salesyard operator shall display the letters "EX" in the description line of the salesyard

-3- AB 1718

outbilling. An exemption number shall be deemed to meet the identification information requirements of Section 21703. The cows shall be consigned, owned, and sold in the name of the person having the exemption number.

- (d) The secretary may revoke the dairy exemption number of any person who violates any provision of *Division 9 (commencing with Section 16301)*, *Division 10 (commencing with Section 20001)*, or *Division 11 (commencing with Section 23001)* of the Food and Agricultural Code, or who is convicted of livestock theft.
- SEC. 2. Section 68082 is added to the Food and Agricultural Code, to read:
- 68082. (a) In order to prevent unfair trade practices, which are detrimental to California's kiwifruit industry, including, but not limited to, deception and misinformation, the commission may collect and disseminate to any and all interested persons, handler f.o.b., market price information based on sales that have occurred.
- (b) The identity of each handler reporting information and the information reported under this section shall be kept confidential and not made public under any circumstances. Information that gives industry totals, averages, and other similar data may be disclosed by the commission.
- (c) The procedure for the collection and dissemination of the information pursuant to this section shall be approved by the secretary.
- SEC. 3. Article 9 (commencing with Section 68141) is added to Chapter 6 of Part 2 of Division 22 of the Food and Agricultural Code, to read:

## Article 9. Quality Standards

- 68141. The commission may recommend to the secretary the adoption of kiwifruit quality standards or engage in any other activity authorized pursuant to the California Marketing Act of 1937 (Chapter 1 (commencing with Section 58601) of Part 2 of Division 21). The adoption of standards or activities shall be in accordance with the procedures specified in that act unless otherwise specified in this article.
- 68142. Any standards or activities recommended by the commission shall not become operative until approved in the manner specified in Section 68092.

AB 1718 —4—

68143. Any standards or activities adopted pursuant to this article shall be implemented by the secretary at the beginning of the marketing season next succeeding the date on which they were approved by the secretary.

- 68144. The commission shall serve as the advisory body to the secretary on all matters pertaining to this article.
- SEC. 4. Section 77051 of the Food and Agricultural Code is amended to read:
  - 77051. (a) There is in state government the California Walnut Commission. The commission shall be composed of eight walnut producers who are not handlers, four walnut handlers, and one public member.
  - (b) Eight producer members, four from each district, shall be elected by producers. In accordance with procedures adopted by the commission, no more than two producers from each district who ship the largest percentage of their walnuts in the preceding marketing year to the same handler may be elected to the commission as members. Producers who ship to two or more handlers in equal percentages shall declare which handler they are affiliated with, for purposes of this section. No producer member shall be connected in a proprietary capacity with a handler.
  - (c) In accordance with procedures adopted by the commission, four handler members shall be elected on a weighted basis by all other handlers to serve on the commission. No handler member shall be connected in a proprietary capacity or in any other manner with any *other* handler member serving on the commission.
  - (d) The public member shall be appointed to the commission by the secretary from nominees recommended by the commission.
  - (e) The secretary and other appropriate individuals as determined by the commission shall be ex officio members of the commission.
  - SEC. 5. Section 77922 of the Food and Agricultural Code is amended to read:
  - 77922. "Shipping research, analysis, and development" means the investigation, development, analysis, or use of information relating to the shipping of flower products *and the development of shipping opportunities, practices, and methods* in this state-and, nationally, and internationally.
  - SEC. 6. Section 77961 of the Food and Agricultural Code is amended to read:

\_5\_ AB 1718

77961. (a) The commission may advertise or otherwise promote the sale of flowers.

1

2

3 4

5 6

7

8

10

- (b) The commission may jointly advertise or otherwise promote the sale of flowers with any other corporation or organization advertising or otherwise promoting the sale of any other product or commodity.
- (c) The commission may work in cooperation with others, including other floral industry organizations, to develop and offer shipping alternatives to the floral industry in order to improve quality and access to markets.